

## WATER RIGHTS COMMISSION—RATE-MAKING AUTHORITY

## CHAPTER 647

## H. B. No. 1602

An Act relating to the ratemaking authority of the Texas Water Rights Commission; amending Section 6.056, Water Code.

*Be it enacted by the Legislature of the State of Texas:*

Section 1. Section 6.056, Water Code, is amended <sup>66</sup> to read as follows:

**"Sec. 6.056. Rate-fixing Power**

"(a) The commission shall fix reasonable rates for the furnishing of raw or treated water for any purpose mentioned in Chapter 5 or 6 of this code.

"(b) The term 'political subdivision' when used in this section means incorporated cities, towns or villages, counties, river authorities, water districts, and other special purpose districts.

"(c) The commission in reviewing and fixing reasonable rates for furnishing water under this section may use any reasonable basis for fixing rates as may be determined by the commission to be appropriate under the circumstances of the case being reviewed; provided however, the commission may not fix a rate which a political subdivision may charge for furnishing water which is less than the amount required to meet the debt service and bond coverage requirements of that political subdivision's outstanding debt.

"(d) The commission's jurisdiction under this section relating to incorporated cities, towns or villages shall be limited to water furnished by such city, town or village to another political subdivision on a wholesale basis.

"(e) The commission may establish interim rates and compel continuing service during the pendency of any rate proceeding.

"(f) The commission may order a refund or assess additional charges from the date a petition for rate review is received by the commission of the difference between the rate actually charged and the rate fixed by the commission, plus interest at the statutory rate."

Sec. 2.<sup>67</sup> No action or proceeding commenced prior to January 1, 1977, before the Texas Water Rights Commission shall be affected by the enactment of this Act.

Sec. 3.<sup>67</sup> Nothing herein contained shall affect the jurisdiction of the Public Utility Commission.

Sec. 4. The importance of this legislation, the crowded condition of the calendars in both houses, and the confusion concerning the applicability of Texas Water Code Section 6.056 to municipalities and other political subdivisions create an emergency and an imperative public necessity that the constitutional rule requiring bills to be read on three several days in each house be suspended, and this rule is hereby suspended, and that this Act take effect and be in force from and after its passage, and it is so enacted.

Passed by the House on May 10, 1977: Yeas 129, Nays 9, 5 present, not voting; and that the House concurred in Senate amendment to H. B.

66. V.T.C.A. Water Code, § 6.056.

67. V.T.C.A. Water Code, § 6.056 note.

No. 1602 on May 25, 1977: Yeas 126, Nays 7, 6 present, not voting; passed by the Senate, with amendment, on May 25, 1977: Yeas 26, Nays 3.

Approved June 15, 1977.

Effective June 15, 1977.

## WATER QUALITY ENHANCEMENT FUNDS—CONSTRUCTION OF REGIONAL WASTE TREATMENT SYSTEMS

### CHAPTER 648

#### H. B. No. 1631

An Act relating to the providing of water quality enhancement funds to designated regional entities for construction of regional waste treatment systems; amending Section 21.706, Water Code, as added; and declaring an emergency.

*Be it enacted by the Legislature of the State of Texas:*

Section 1. Section 21.706, Water Code, as added, is amended <sup>68</sup> to read as follows:

**"Sec. 21.706. Considerations in Passing on Application**

"In passing on an application from a political subdivision for financial assistance, the board shall consider:

"(1) the water quality needs of the waters into which effluent from the treatment works will be discharged and the benefit of the treatment works to such water quality needs in relation to the needs of other waters requiring state assistance in any manner and the benefits of those treatment works to the other waters;

"(2) the availability of revenue to the political subdivision, from all sources, for the ultimate repayment of the cost of the treatment works, including interest;

"(3) whether the political subdivision can reasonably finance the treatment works without assistance from the state;

"(4) the relationship of the treatment works to the overall, statewide water quality needs;

"(5) the relationship of the treatment works to water quality planning for the state; and

"(6) whether the political subdivision has been designated, pursuant to Section 21.202 of this code, to provide a regional system to serve all or part of the waste disposal needs of a defined area, the development of such systems being the declared policy of the legislature."

Sec. 2. The importance of this legislation and the crowded condition of the calendars in both houses create an emergency and an imperative problem necessitating that the constitutional rule requiring bills to be read on several days in each house be suspended, and this rule is here-

68. V.T.C.A. Water Code, § 21.706.